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9 **UNITED STATES DISTRICT COURT**  
10 **NORTHERN DISTRICT OF CALIFORNIA**  
11 **SAN JOSE DIVISION**

12 SECURITIES AND EXCHANGE COMMISSION,  
13 Plaintiff,  
14 vs.  
15 DANIEL MATTES,  
16 Defendant.

Case No.

**FINAL JUDGMENT AS TO  
DEFENDANT DANIEL MATTES**

17  
18 The Securities and Exchange Commission having filed a Complaint and Defendant  
19 Daniel Mattes having entered a general appearance; consented to the Court's jurisdiction over  
20 Defendant and the subject matter of this action; consented to entry of this Final Judgment  
21 without admitting or denying the allegations of the Complaint (except as to jurisdiction and  
22 except as otherwise provided herein in paragraph VII); waived findings of fact and  
23 conclusions of law; and waived any right to appeal from this Final Judgment:

24 I.

25 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is  
26 permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the  
27 Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5  
28 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of

1 interstate commerce, or of the mails, or of any facility of any national securities exchange, in  
2 connection with the purchase or sale of any security:

- 3 (a) to employ any device, scheme, or artifice to defraud;
- 4 (b) to make any untrue statement of a material fact or to omit to state a material  
5 fact necessary in order to make the statements made, in the light of the circumstances  
6 under which they were made, not misleading; or
- 7 (c) to engage in any act, practice, or course of business which operates or would  
8 operate as a fraud or deceit upon any person.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in  
10 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following  
11 who receive actual notice of this Final Judgment by personal service or otherwise: (a)  
12 Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in  
13 active concert or participation with Defendant or with anyone described in (a).

14 II.

15 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
16 Defendant is permanently restrained and enjoined from violating Section 17(a) of the  
17 Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any  
18 security by the use of any means or instruments of transportation or communication in  
19 interstate commerce or by use of the mails, directly or indirectly:

- 20 (a) to employ any device, scheme, or artifice to defraud;
- 21 (b) to obtain money or property by means of any untrue statement of a material  
22 fact or any omission of a material fact necessary in order to make the statements made,  
23 in light of the circumstances under which they were made, not misleading; or
- 24 (c) to engage in any transaction, practice, or course of business which operates or  
25 would operate as a fraud or deceit upon the purchaser.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in  
27 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following  
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1 who receive actual notice of this Final Judgment by personal service or otherwise: (a)  
2 Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in  
3 active concert or participation with Defendant or with anyone described in (a).

4 III.

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to  
6 Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and Section 20(e) of the  
7 Securities Act [15 U.S.C. § 77t(e)], Defendant is permanently prohibited from acting as an  
8 officer or director of any issuer that has a class of securities registered pursuant to Section 12  
9 of the Exchange Act [15 U.S.C. § 78j] or that is required to file reports pursuant to Section  
10 15(d) of the Exchange Act [15 U.S.C. § 78o(d)] or pursuant to Section 21(d)(2) of the  
11 Exchange Act [15 U.S.C. § 78u(d)(2)].

12 IV.

13 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
14 Defendant is liable for disgorgement of \$14,617,922, representing profits gained as a result of  
15 the conduct alleged in the Complaint, together with prejudgment interest thereon in the  
16 amount of \$2,145,112, and a civil penalty in the amount of \$640,000 pursuant to Section  
17 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d) of the Exchange Act [15  
18 U.S.C. § 78u(d)]. Defendant shall satisfy this obligation by paying \$640,000 to the Securities  
19 and Exchange Commission within 3 days after entry of this Final Judgment, and \$16,763,034  
20 to the Securities and Exchange Commission within 90 days after entry of this Final Judgment;  
21 however, any money that Defendant pays in any settlement of In Re JMO Wind Down Inc.  
22 (f/k/a Jumio, Inc.), No. 16-10682 (US Bankruptcy Ct, D. Del.), that has actually been  
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distributed to any of investors on the list in footnote 1<sup>1</sup> by 90 days after the entry of this Final Judgment, may be subtracted from the \$16,763,034 payment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center  
Accounts Receivable Branch  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Daniel Mattes as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Final Judgment. Defendant shall pay post judgment interest on any delinquent amounts pursuant to

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<sup>1</sup> Buttonwood Alpha Fund LLC, Buttonwood Alpha QP Fund LLC, Celadon Technology Fund II, Turner Investment Fund XI, LLC, Jacqueline Fox, J Tech Holdings LLC, Allure Investments LP, Artar International Limited, MokkaGold International Limited, and Amberbrook VI, LLC.

1 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest and  
2 income earned thereon (collectively, the “Fund”), pending further order of the Court.

3 The Commission may propose a plan to distribute the Fund subject to the Court’s  
4 approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair  
5 Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall retain  
6 jurisdiction over the administration of any distribution of the Fund. If the Commission staff  
7 determines that the Fund will not be distributed, the Commission shall send the funds paid  
8 pursuant to this Final Judgment to the United States Treasury.  
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10 Regardless of whether any such Fair Fund distribution is made, amounts ordered to be  
11 paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the  
12 government for all purposes, including all tax purposes. To preserve the deterrent effect of  
13 the civil penalty, Defendant shall not, after offset or reduction of any award of compensatory  
14 damages in any Related Investor Action based on Defendant’s payment of disgorgement in  
15 this action, argue that he is entitled to, nor shall he further benefit by, offset or reduction of  
16 such compensatory damages award by the amount of any part of Defendant’s payment of a  
17 civil penalty in this action (“Penalty Offset”). If the court in any Related Investor Action  
18 grants such a Penalty Offset, Defendant shall, within 30 days after entry of a final order  
19 granting the Penalty Offset, notify the Commission’s counsel in this action and pay the  
20 amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the  
21 Commission directs. Such a payment shall not be deemed an additional civil penalty and  
22 shall not be deemed to change the amount of the civil penalty imposed in this Judgment. For  
23 purposes of this paragraph, a “Related Investor Action” means a private damages action  
24 brought against Defendant by or on behalf of one or more investors based on substantially the  
25 same facts as alleged in the Complaint in this action.  
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V.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that within 3 days after being served with a copy of this Final Judgment, Wells Fargo Bank, (“Escrow Agent”) shall transfer \$640,000 of money received from Defendant Daniel Mattes, or held for the benefit of Daniel Mattes, to the Commission; and within 90 days after being served with a copy of this Final Judgment, Escrow Agent shall transfer the entire balance of any and all moneys received from Defendant Daniel Mattes, or held for the benefit of Daniel Mattes to the Commission; however, any money that Defendant pays in any settlement of In Re JMO Wind Down Inc. (f/k/a Jumio, Inc.), No. 16-10682 (US Bankruptcy Ct, D. Del.), that has actually been distributed to any of investors on the list in footnote 2 by 90 days after the entry of this Final Judgment, may be subtracted from the \$16,763,034 payment. Escrow Agent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Escrow Agent also may transfer these funds by certified check, bank cashier’s check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

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and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; and specifying that payment is made pursuant to this Final Judgment.

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<sup>2</sup> Buttonwood Alpha Fund LLC, Buttonwood Alpha QP Fund LLC, Celadon Technology Fund II, Turner Investment Fund XI, LLC, Jacqueline Fox, J Tech Holdings LLC, Allure Investments LP, Artar International Limited, MokkaGold International Limited, and Amberbrook VI, LLC.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.


VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: \_\_ May 15, 2019, \_\_\_\_



UNITED STATES DISTRICT JUDGE